

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE MADAM)
JUSTICE CONWAY)

WEDNESDAY, THE 15th
DAY OF APRIL, 2020

B E T W E E N:

2644013 ONTARIO INC.

Applicant

- and -

BOMET POLYMER INC.

Respondent

VESTING AND SANCTION ORDER

THIS MOTION, made by **BDO CANADA LIMITED**, in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertaking, property and assets of Bomet Polymer Inc. (the "**Debtor**") for an order, *inter alia*,: (i) sanctioning and approving a proposal to the unsecured creditors of the Debtor and (ii) approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Receiver and 2644013 Ontario Inc. (the "**Purchaser**") and appended as Appendix "J" to the Third Report of the Receiver dated March 11, 2020 (the "**Third Report**"), and vesting in the Purchaser, the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**"), was heard by video conference due to the Covid-19 crisis.

ON READING the Report and on hearing the submissions of counsel for the Receiver, and any other parties appearing listed on the counsel slip, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Christel Paul sworn March 12, 2020 filed:

SERVICE

1. **THIS COURT ORDERS** that the time and method for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

APPROVAL OF SALE TRANSACTION

2. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

3. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser (the "**Effective Date**") substantially in the form attached as Schedule "A" hereto (the "**Receiver's Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement shall vest absolutely in the Purchaser, free and clear of and from any and all Claims (as defined in the Claims Procedure Order dated January 29, 2020 (the "**Claims Procedure Order**"), including, without limiting the generality of the foregoing: (i) any encumbrances or charges created in these proceedings; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system and, for greater certainty, this Court orders that all of the Claims affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

4. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets (the "**Net Proceeds**") shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's

Certificate all Claims shall attach to the Net Proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

5. **THIS COURT ORDERS** that the Net Proceeds shall be distributed by the Receiver pursuant to and in accordance with the Proposal (as defined herein).

6. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

7. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

APPROVAL AND SANCTION OF PROPOSAL

8. **THIS COURT ORDERS** that the Proposal of the Purchaser to all of the creditors of the Debtor dated February 5, 2020 (the "**Proposal**") and all of the compromises, transactions, terms

and conditions contemplated therein are hereby approved, sanctioned and binding and shall be effected on the Debtor in accordance with the terms and conditions set forth in the Proposal.

9. **THIS COURT ORDERS** that, on and after the Effective Date, the Receiver and the Debtor are hereby authorized and directed to take all actions necessary or appropriate to enter into, adopt or execute, deliver, implement and consummate all matters contemplated under the Proposal and such actions are hereby approved and shall occur and be effective on and after the Effective Date, in accordance with the Proposal without any requirement of further corporate action by partners, shareholders, directors or officers of the Debtor.

10. **THIS COURT ORDERS** that, from and after the date that all steps have been taken to implement the Proposal including the distributions contemplated therein and the filing of the Proposal Certificate, substantially in the form attached as Schedule "B" to this Order, with the Court (the "**Completion Date**") the Proposal shall enure to the benefit of and be binding upon the Debtor, all of the creditors of the Debtor, the shareholders, the officers and directors of the Debtor.

11. **THIS COURT ORDERS** that, from and after the Completion Date, the Debtor shall be released and discharged from all Claims and all Claims shall be deemed to be fully, finally and irrevocably and forever waived, discharged, released, cancelled and barred as against the Debtor.

RECEIVER'S ACTIVITIES

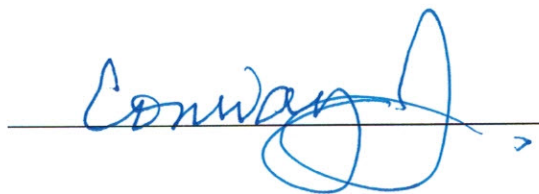
12. **THIS COURT ORDERS** that the Third Report and the activities described therein are hereby approved.

ACCOUNTS

13. **THIS COURT ORDERS** that the accounts of the Receiver and its legal counsel, as filed with the Third Report, are hereby approved and passed in these proceedings.

14. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as

may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

A handwritten signature in blue ink is written over a horizontal line. The signature is cursive and appears to read "Conway". The line extends to the right of the signature, ending in a small arrowhead.

Schedule A – Form of Receiver’s Certificate

Court File No. CV-19-618817-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

BETWEEN:

2644013 ONTARIO INC.

Applicant

- and -

BOMET POLYMER INC.

Respondent

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Madame Justice Conway of the Ontario Superior Court of Justice (the "**Court**") dated January 13, 2020 **BDO CANADA LIMITED** was appointed as the receiver (the "**Receiver**") of the undertaking, property and assets of **BOMET POLYMER INC.** (the "**Debtor**").

B. Pursuant to an Order of the Court dated April 15, 2020, the Court approved the agreement of purchase and sale attached as Appendix "J" to the Third Report of the Receiver dated March 11, 2020 (the "**Sale Agreement**") between the Receiver and 2644013 Ontario Inc. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as

set out in Article 3 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in Article 3 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

BDO CANADA LIMITED, in its capacity as Receiver of the undertaking, property and assets of BOMET POLYMER INC., and not in its personal capacity

Per: _____

Name:

Title:

Schedule B – Form of Proposal Certificate

Court File No. CV-19-618817-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

BETWEEN:

2644013 ONTARIO INC.

Applicant

- and -

BOMET POLYMER INC.

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PROPOSAL CERTIFICATE

RECITALS

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set out in Article 3 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver (the “**Receiver’s Certificate**”).

C. On ●, 2020 the Receiver delivered to the Purchaser the Receiver’s Certificate.

D. The Proposal of the Purchaser to all the Creditors of the Debtor, dated February 5, 2020 (the “**Proposal**”) was approved by the Court pursuant to an Order of the Court, dated April 15, 2020.

E. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. All steps have been taken to implement the Proposal including the distributions contemplated therein; and
2. This Certificate was filed with the Court on ●, 2020.

BDO CANADA LIMITED, in its capacity as Receiver of the undertaking, property and assets of BOMET POLYMER INC., and not in its personal capacity

Per:

Name:

Title:

2644013 ONTARIO INC.

and

BOMET POLYMER INC.

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

VESTING AND SANCTION ORDER

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**Lawyers for
BDO Canada Limited in its capacity as
Receiver of Bomet Polymer Inc.**